

Most Frequently Asked Questions About Federal Procurement

1. How is a small business defined and what is the certification process?

For the purpose of SBA procurement assistance, a business generally is considered small if it is a business entity organized for profit, located in the United States, and which operates primarily within the United States or which makes a significant contribution to the U.S. economy through payment of taxes or use of American products, materials or labor. The business entity must further qualify under the criteria set forth in the SBA Small Business Size Standards Regulation, Title 13, Part 121 of the Code of Federal Regulations. In making a detailed definition, the SBA may use a number of criteria, including the number of employees; annual receipts; affiliates; or other applicable factors. For information on specific industry classifications (manufacturing, construction, services, transportation, refined petroleum products and research development, development and testing) and refinements of the general definition of a small business, contact your nearest SBA District Office. Visit this web site <http://www.sba.gov/regions/states.html> to locate the office closest to you.

2. What is FACNET?

The Federal Acquisition Streamlining Act of 1994 established a simplified-acquisition threshold of \$100,000. It also required that a government-wide computer system, the Federal Acquisition Computer Network (FACNET) be implemented no later than January 1, 2000. Once FACNET is in place, the entire procurement process, from solicitation through award and payment, will be done electronically. To access the FACNET System you must use the services of a Government certified Value Added Network/Service (VAN/VAS) provider or become a certified VAN/VAS. The latter requires a substantial investment. You may contact the Department of Defense Electronic Commerce Information Center by calling (800) 334-3414 or visit this web site <http://http://www.acq.osd.mil/ec/interimfacnet.htm> to access more information on FACNET and VAN/VAS providers.

3. How do I find out who in the government purchases my product or service?

Consult the U.S. Government Purchasing and Sales Directory when put online here in the near future.

4. What is an IFB, RFP or RFQ and what is the difference?

Although these terms (acronyms) are still used, two of them now have different meanings than they did in the past. IFB now refers to Sealed Bidding and RFP now refers to Negotiated Procurement. RFQ still refers to requesting oral or written prices on small purchases.

5. What is a DUNS number, why do I need it and how do I get one?

DUNS stands for Data Universal Numbering System and is used by the Government to identify each contractor and their location(s). The number is also required to register with the Central Contractor Register (CCR) that is used by the government's electronic commerce/electronic data interchange (EC/EDI) system called FACNET. If you do not have a DUNS number, the government has an arrangement with Dun and Bradstreet (D&B) to provide one at no cost.

You can contact D&B on (800) 333-0505 or visit <http://www.dnb.com/aboutdb/dunsform.htm> to request a DUNS number electronically from D&B.

6. What is the Commerce Business Daily (CBD) and how do I get it?

The CBD is the public notification media which U.S. Government agencies use to identify proposed contract actions and contract awards. It is published in five or six daily editions as necessary. Contracting officers are required by the Small Business Act and the Federal Procurement Policy Act to publish proposed contract actions expected to exceed \$25,000 and contract awards of \$25,000 or more. Some exceptions apply to the requirements. Prime contractors are also permitted and encouraged to publish subcontracting opportunities in the CBD. Visit <http://www.ld.com/cbd/today/> for free access to today's CBD.

7. What about abandoning a contract?



If a contractor abandons a contract or fails to perform satisfactorily, the contracting officer may terminate the contract for default and charge the contractor the excess re-procurement costs. i.e., the difference between the original contract price and the ultimate cost to the government.

8. What is the SBIR Program?

Visit <http://www.sba.gov/SBIR/> for information about the SBIR Program.

9. Are there any special procurement programs and preferences for women-owned-businesses?

Visit <http://www.sba.gov/womeninbusiness/> for information on SBA's WBO Program

